

**IN THE
COMMONWEALTH OF VIRGINIA
REAL ESTATE BOARD**

**Re: Patrick Timothy Hogan
Roanoke, VA 24019**

**File Number 2008-02725
License Number 0225102787**

CONSENT ORDER

Respondent Patrick Timothy Hogan ("Hogan") recognizes and acknowledges being subject to and bound by the Regulations of the Real Estate Board ("Board"), as well as by all other applicable Virginia laws.

Hogan knowingly and voluntarily waives any proceedings for this matter under the Administrative Process Act, §§ 2.2-4019, 2.2-4020, and 2.2-4021 of the 1950 Code of Virginia, as amended.

Board's Regulations provides:

18 VAC 135-20-155. Grounds for disciplinary action.

The board has the power to fine any licensee, and to suspend or revoke any license issued under the provisions of Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1 of the Code of Virginia, and this chapter where the licensee has been found to have violated or cooperated with others in violating any provision of Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1 of the Code of Virginia, Chapter 1.3 (§ 6.1-2.19 et seq.) of Title 6.1 of the Code of Virginia or any regulation of the board. Any licensee failing to comply with the provisions of Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1 of the Code of Virginia or the regulations of the Real Estate Board in performing any acts covered by §§ 54.1-2100 and 54.1-2101 of the Code of Virginia may be charged with improper dealings, regardless of whether those acts are in the licensee's personal capacity or in his capacity as a real estate licensee.

Historical Notes:

Derived from Virginia Register Volume 19, Issue 12, eff. April 1, 2003.

The Report of Findings, which contains the facts regarding the regulatory and/or statutory issues in this matter, is incorporated with the Consent Order.

By signing this Consent Order, Hogan acknowledges an understanding of the charges and admits to the violation(s) of the Counts as outlined in the Report of Findings. Hogan consents to the following term(s):

Count 1:	18 VAC 135-20-270.3	\$ 0.00
Count 2:	18 VAC 135-20-300.9	\$ 0.00
Count 3:	18 VAC 135-20-310.1	\$ 0.00
Count 4:	18 VAC 135-20-185.C.3	\$ 0.00
Count 5:	18 VAC 135-20-190.B	\$ 0.00
Count 6:	18 VAC 135-20-260.11	\$ 0.00

SUB-TOTAL (MONETARY PENALTIES)	\$ 0.00
BOARD COSTS	\$ 150.00
TOTAL	\$ 150.00

In addition, for violation of Counts 1-6, Hogan agrees to revocation of his license.

Any monetary penalties, costs, and/or sanctions are to be paid/performed within thirty days of the effective date of this consent order unless otherwise specifically noted above. Hogan acknowledges any monetary penalty and/or costs as a debt to the Commonwealth and agrees that in the event of a default, or the return of a check for insufficient funds, Hogan will be responsible for all reasonable administrative costs, collection fees, or attorney's fees incurred in the collection of whatever funds are due.

Hogan acknowledges that failure to pay any monetary penalty or costs and/or to comply with all terms of this Order within the specified time period, shall result in the automatic suspension of Hogan's license until such time as there is compliance with all terms of this Order. Patrick Timothy Hogan understands the right to have this automatic suspension considered in an informal conference pursuant to the Administrative Process Act §§ 2.2-4019 and 2.2-4021 of the 1950 Code of Virginia, as amended, but knowingly and voluntarily waives any rights to the proceeding and hereby waives any further proceedings under the Administrative Process Act §§ 2.2-4020 and 2.2-4021 of the 1950 Code of Virginia, as amended.

The effective date of this Order shall be the date of execution by the Board.

File # 2008-02725

SEEN AND AGREED TO:

The undersigned represents and affirms that he/she has the authority to legally bind Patrick Timothy Hogan, to this Consent Order. The individual, by his/her signature below, acknowledges he/she read the Consent Order, understands it, and agrees that Patrick Timothy Hogan, shall be bound by its terms and conditions.

Patrick T. Hogan

Signature

2-3-09

Date

PATRICK T. HOGAN

Printed Name and Title

President, PTO

SO ORDERED:

Entered this 26th day of March, 2009.

Real Estate Board

BY:

Jay W. DeBoer

Jay W. DeBoer, Secretary

EOO

**VIRGINIA DEPARTMENT OF PROFESSIONAL
AND OCCUPATIONAL REGULATION
COMPLIANCE & INVESTIGATIONS DIVISION
9960 MAYLAND DRIVE, SUITE 400
RICHMOND, VA 23233-1463**

REPORT OF FINDINGS

BOARD: Real Estate Board
DATE: July 25, 2008

FILE NUMBER: 2008-02725
RESPONDENT: Patrick Timothy Hogan
LICENSE NUMBER: 0225102787
EXPIRATION: February 28, 2010

SUBMITTED BY: Jeffrey Buckley, Investigator
APPROVED BY: Bryan Carver, Field Investigative Supervisor

COMMENTS:

None.

Patrick Timothy Hogan ("Hogan") was at all times material to this matter a licensed real estate salesperson in Virginia (No. 0225102787).

Based on the analysis and/or investigation of this matter, there is probable cause to believe the respondent has committed the following violation(s) of the Code of Virginia and/or Board's regulation(s):

BACKGROUND:

On January 15, 2008, the Compliance & Investigations Division of the Department of Professional and Occupational Regulation received a written complaint from Yvonne Delgado ("Delgado"), with StarBanc Corporation ("Starbanc"), regarding Hogan. (Exh. C-1)

On or about December 11, 2007, Starbanc Corporation, requested Chase Morgan perform a broker price opinion on 4318 Delray Street, Roanoke, Virginia, 24012 ("subject property"), which was in foreclosure, in order to determine its monetary value for potential listing with Chase Morgan Associates ("Chase Morgan"). (Exhs. C-1 and W-1d)

The subject property was deeded from Colin Dugas ("C. Dugas") to Paul Dugas ("P. Dugas"), on January 25, 2008. (Exh. C-2) P. Dugas is the brother of C. Dugas and President/CEO of Starbanc Corporation. (Exh. I-3)

The subject property was formally listed with Chase Morgan on or about March 10, 2008. A ratified contract on the property was obtained on April 29, 2008. (Exh. I-3) The subject property closed on May 16, 2008. (Exhs. W-1L and I-3)

Hogan did not receive any proceeds from the sale of the house. (Exh. I -3)

1. Board Regulation

18 VAC 135-20-270. Conflict of interest.

Actions constituting a conflict of interest include:

3. Acting as a standard agent or independent contractor for any client outside the licensee's brokerage firm(s) or sole proprietorship(s).

Historical Notes

Derived from VR585-01-1 §6.8, eff. July 15, 1987; amended, Virginia Register Volume 5, Issue 23, eff. October 1, 1989; Volume 7, Issue 14, eff. May 15, 1991; Volume 8, Issue 13, eff. May 15, 1992; Volume 11, Issue 18, eff. June 28, 1995; Volume 15, Issue 5, eff. January 1, 1999; Volume 19, Issue 12, eff. April 1, 2003.

Print Date: September 1, 2004

FACTS:

On December 13, 2007, Hogan learned the subject property was in foreclosure after reviewing a notice of a Trustee's Sale in the Roanoke Times newspaper. Hogan stated he was unaware StarBanc previously contacted Chase Morgan. Hogan visited the subject property and provided Jamie Cantrell ("Cantrell"), C. Dugas' roommate, with a business card identifying Hogan as a realtor with Chase Morgan. (Exhs. I -2 and I-3) Hogan also left a note card at the subject property, which stated:

Hi, if you would like to sell your home quickly for cash please call me. I also buy foreclosures. If your home is in foreclosure I offer many options... (Exh. W-2a)

Hogan's name and personal cell phone number were also listed on the note card. (Exh. W-2a)

On December 14, 2007, Hogan met with C. Dugas. C. Dugas stated he wanted help with the reinstatement, but did not want the house. C. Dugas further stated that the house needed too many repairs and that he just wanted to walk away from the house. (Exhs. I-1 and I-2)

On December 14, 2007, C. Dugas authorized Hogan, in writing, "...to act on my [C. Dugas] behalf and/or as my real estate agent in all matters relating to the foreclosure or redemption of the property..." (Exh. W-1b)

On December 16, 2007, Hogan and C. Dugas signed a Purchase Agreement. The Purchase Agreement specified the buyer was "Patrick T. Hogan and/or the assigned" and stated:

Seller represents that he has agreed to pay a total brokerage fee of 40% of Sales price (brokerage fee). In the event this is a cooperative sale, the Selling firm is to receive 40% of Commission and the Listing Firm is to receive the remainder of the total brokerage fee. (Exh. R-2)

The Buyer is paying the reinstatement to the Trustee of the foreclosure. This will be deducted from the sale price. The buyer is to be reimbursed. The buyer will make all payments on the mortgage until the buyer sells or reassigns his contract. This must be completed in full by June 1st 2008. Buyer to pay all utilities after seller moves out of house. (Exh. R-2)

The Purchase Agreement also included an "Agency Disclosure And Confirmation" section, which specified:

Patrick T. Hogan was the Selling Agent for the Purchaser and Chase Morgan Associates was the Selling Firm of the Purchaser. (Exh. W-1a)

In late December 2007, C. Dugas moved into an apartment complex at the request of Hogan. (Exh. I-2) Hogan paid C. Dugas' security deposit and first month's rent at the apartment complex. (Exhs. R-1, I-1 and I-2) On or about December 27, 2007, Hogan paid the Trustee of the subject property \$6,504.34 to stop the foreclosure (Exhs. R-1 and R-8) Hogan also informed C. Dugas he was going to be taking over the monthly mortgage payments on the house. (Exh. I-1)

In mid to late December 2007, Emily and Michael Woody ("the Woodys"), both realtors with Chase Morgan, visited the subject property pursuant to Starbanc's initial inquiry to Chase Morgan. The Woodys observed a "for-sale by owner" sign in the front yard, which included Hogan's personal cell phone number. (Exh. I-3)

On January 10, 2008, Starbanc contacted Rhonda Thomas ("Thomas"), Principal Broker for Chase Morgan, to inquire about the Purchase Agreement between Hogan and C. Dugas. Thomas was unaware of the Purchase Agreement and contacted Hogan. (Exh. I-3)

On January 10, 2008, Hogan, after being contacted by Thomas, submitted the Purchase Agreement to Thomas. (Exh. I-3)

The Purchase Agreement submitted to Thomas had been revised to reflect a 4% commission in place of the original 40% commission. (Exh. I -1 and C-2) Hogan stated the commission was reduced because he [Hogan] was receiving threatening calls from P. Dugas. (Exh. I-2)

According to C. Dugas, Hogan informed him the commission was reduced to 4%, in place of 40%, because he [Hogan] had made a "mistake." (Exh. I-1)

Hogan stated it is up the individual broker as to whether realtors are required to notify them of the properties bought and sold on their own. According to Hogan, Thomas "knew what was going on." (Exh. I -2)

2. Board Regulation

18 VAC 135-20-300. Misrepresentation/omission.

Actions constituting misrepresentation or omission, or both, include:

9. Knowingly making any material misrepresentation or making a material misrepresentation reasonably relied upon by a third party to that party's detriment; and

Historical Notes

Derived from VR585-01-1 §6.11, eff. July 15, 1987; amended, Virginia Register Volume 5, Issue 23, eff. October 1, 1989; Volume 7, Issue 14, eff. May 15, 1991; Volume 8, Issue 13, eff. May 15, 1992; Volume 11, Issue 18, eff. June 28, 1995; Volume 15, Issue 5, eff. January 1, 1999; Volume 19, Issue 12, eff. April 1, 2003; Volume 24, Issue 11, eff. April 1, 2008.

FACTS:

In addition to the facts outlined above:

The Purchase Agreement specified closing would take place "...on or about June 30, 2008;" more than six months after it was first signed by C. Dugas and Hogan. (Exh. W-1a)

Dugas stated he understood Hogan was a realtor with Chase Morgan and was going to sell the house through Chase Morgan. According to C. Dugas, Hogan

never explained that he was purchasing the house; he never discussed or identified the \$83,000.00 purchase amount; or the reasoning for the 40% commission. C. Dugas further understood that Hogan was going to assist with the past-due debts on the house and current mortgage payments until the house was sold. Once the house was sold and Chase Morgan received its commission, C. Dugas would receive the remaining proceeds, if any. According to C. Dugas, Hogan never informed him he was buying the house; rather, that he was selling it. According to both C. Dugas and Cantrell, two to three days after the Purchase Agreement was signed, Hogan brought a potential buyer to inspect the subject property. (Exh. I-2)

Hogan stated he told C. Dugas he was buying the house for \$83,000.00 and that all outstanding obligations would be resolved. Hogan stated there was never a listing agreement. Hogan further stated that he does not remember showing the house to any potential buyers. Hogan, however, stated he did place a for sale by owner sign in the front yard of the subject property shortly after he entered into the Purchase Agreement with C. Dugas, but was unable to remember the specific day the sign was placed in the yard. (Exh. I-2)

Hogan further stated that the Purchase Agreement specified the buyer was "Patrick Tim Hogan And/Or The Assigned" [emphasis added]. As such, if another buyer wanted to purchase the house, Hogan originally identified a 40% commission to ensure he was reimbursed the money spent on expenditures. Hogan wanted to fix the house up before listing it with Chase Morgan and stated he would have listed the subject property with Chase Morgan for \$119,900.00. (Exh. I-2)

3. Board Regulation

18 VAC 135-20-310. Delivery of instruments.

Actions constituting improper delivery of instruments include:

- 1. Failing to make prompt delivery to each principal to a transaction, complete and legible copies of any written disclosures required by §§ 54.1-2138 and 54.1-2139 of the Code of Virginia, listings, leases, offers to purchase, counteroffers, addenda, ratified agreements, and other documentation required by the agreement**

Historical Notes

Derived from VR585-01-1 §6.12, eff. July 15, 1987; amended, Virginia Register Volume 5, Issue 23, eff. October 1, 1989; Volume 7, Issue 14, eff. May 15, 1991; Volume 8, Issue 13, eff. May 15, 1992; Volume 11, Issue 18, eff. June 28, 1995; Volume 15, Issue 5, eff. January 1, 1999.

Print Date: September 1, 2004

FACTS:

In addition to the facts outlined above:

A copy of the December 16, 2007, Purchase Agreement was not provided to C. Dugas until after Dugas initialed the changes made to the Purchase Agreement regarding the reduction of the 40% commission rate to 4%, which occurred in early January 2008. (Exhs. I-1 and I-3)

4. Board Regulation

18 VAC 135-20-185. Maintenance and management of financial records.

C. Actions constituting improper record keeping include:

3. Failing, within a reasonable time, to account for or to remit any monies coming into a licensee's possession which belong to others.

Historical Notes

Derived from Virginia Register Volume 19, Issue 12, eff. April 1, 2003.

Print Date: September 1, 2004

FACTS:

In addition to the facts outlined above:

The Purchase Agreement specified the purchaser made a \$100.00 deposit and that the "Deposit [was] held by Chase Morgan Associates". The Purchase Agreement further specified the deposit was made by check. (Exh. R-2)

A \$100.00 deposit was not provided to Thomas by Hogan until January 10, 2008. The deposit provided to Thomas on January 10, 2008, was made with cash. (Exh. I- 3 and R-2)

5. Board Regulation

18 VAC 135-20-190. Advertising by licensees.

- B. All advertising must be under the direct supervision of the principal broker or supervising broker, in the name of the firm and, when applicable, comply with the disclosure required by §54.1-2138.1 of the Code of Virginia. The firm's licensed name must be clearly and legibly displayed on all advertising.

Historical Notes

Derived from VR585-01-1 §5.4, eff. July 15, 1987; amended, Virginia Register Volume 5, Issue 23, eff. October 1, 1989; Volume 7, Issue 14, eff. May 15, 1991; Volume 8, Issue 13, eff. May 15, 1992; Volume 11, Issue 18, eff. June 28, 1995; Volume 15, Issue 5, eff. January 1, 1999; Volume 19, Issue 12, eff. April 1, 2003; Volume 24, Issue 11, eff. April 1, 2008.

FACTS:

In addition to the facts outlined above:

Rhonda Thomas was not aware Hogan had placed a for-sale by owner sign on the subject property until the Woodys informed her in mid to late December 2007. In addition, the sign placed on the subject property did not include Chase Morgan Associate's business name. (Exh. I-3)

6. Board Regulation

18 VAC 135-20-260. Unworthiness and incompetence.

Actions constituting unworthy and incompetent conduct include:

11. Engaging in improper, fraudulent, or dishonest conduct.

Historical Notes

Derived from VR585-01-1 §6.7, eff. July 15, 1987; amended, Virginia Register Volume 5, Issue 23, eff. October 1, 1989; Volume 7, Issue 14, eff. May 15, 1991; Volume 8, Issue 13, eff. May 15, 1992; Volume 11, Issue 18, eff. June 28, 1995; Volume 15, Issue 5, eff. January 1, 1999; Volume 19, Issue 12, eff. April 1, 2003; Errata, 19:14 VA.R. 2176, 2177 March 24, 2003.

FACTS:

In mid to late December 2007, Hogan submitted to Thomas a hand-written letter stating the following:

Rhonda On the homes that I have that could be for sale, I may list the homes at 10-30% or more listings [sic] so I won't have to put the home in my name. I end up with the same amount as if I would purchase the home, I am willing to pay Chase Morgan Associates commission based on the office policy of 10% of my usual 3% commission. Tim (Exhs. I-3 and W-1i)

On June 16, 2008, Hogan informed Investigator Jeffrey Buckley, the Board's agent, that he was not familiar with Chase Morgan's office policy, which allows agents to sell or buy property as long as they list the properties with Chase Morgan and agree to pay 10% of the 3% commission. (Exh. I-2)